

Illinois- American Water Company
Rate Base
For the Test Year Ended December 31, 2003
Southern/Peoria/Streator/Pontiac

Line No	Description (A)	Company Pro-Forma (B-2) (B)	Adjustments (Sch 2-SPSP) (C)	Pro Forma (Col B+C) (D)
1	Gross Utility Plant at Original Cost	\$ 408,604,925	\$ -	\$ 408,604,925
2	FAS 109 Regulatory Asset (Net)	769,529	-	769,529
3	Reserve for Accum. Depr. And Amort.	<u>(122,822,292)</u>	<u>(157,429)</u>	<u>(122,979,721)</u>
4	Net Plant	286,552,162	(157,429)	286,394,733
5				
6	Additions to Rate Base:			
7	Cash Working Capital	5,533,016	(325,325)	5,207,691
8	Materials and Supplies	831,365	(51,431)	779,934
9	Deferred Charges	8,580,871	(329,304)	8,251,567
10	Savings/Sharing	-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16				
17	Deductions from Rate Base:			
18	Contributions in Aid of Construction	(26,900,130)	-	(26,900,130)
19	Accumulated Depr. On CIAC	6,665,365	1,699	6,667,064
20	Customer Advances for Construction	(11,488,367)	-	(11,488,367)
21	Deferred Federal Income Tax	(10,419,474)	638,583	(9,780,891)
22	Deferred State Income Tax	(2,516,008)	128,343	(2,387,665)
23	Investment Tax Credit- Pre-1971	(33,135)	-	(33,135)
24		-	-	-
25		-	-	-
26				
27	Rate Base	<u>\$ 256,805,665</u>	<u>\$ (94,864)</u>	<u>\$ 256,710,801</u>

Illinois- American Water Company
Adjustments to Rate Base
For the Test Year Ended December 31, 2003
Southern/Peoria/Streator/Pontiac

Line No	Description (A)	Accumulated Deferred Income Taxes (St. Ex. 13.0 Sch 13.2-SPSP) (B)	Deferred Security Costs (Co. Ex. SR-4.0 Page 15, Line 12) (C)	New Depreciation Rates (St. Ex. 14.0 Sch 14.3-SPSP) (D)	Deferred Tank Painting (St. Ex. 14.0 Sch 14.6-SPSP) (E)	Working Capital (St. Ex. 15.0 Sch 15.1-SPSP) (F)	Materials & Supplies (St. ex. 15.0 Sch 15.2-SPSP) (G)	(Source) (H)	(Source) (I)	(Source) (J)	Total Rate Base Adjustment (K)
1	Gross Utility Plant at Original Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	FAS 109 Regulatory Asset (Net)	-	-	-	-	-	-	-	-	-	-
3	Reserve for Accum. Depr. And Amort.	-	-	(157,429)	-	-	-	-	-	-	(157,429)
4	Net Plant	-	-	(157,429)	-	-	-	-	-	-	(157,429)
5											
6	Additions to Rate Base:										
7	Cash Working Capital	-	-	-	-	(325,325)	-	-	-	-	(325,325)
8	Materials and Supplies	-	-	-	-	-	(51,431)	-	-	-	(51,431)
9	Deferred Charges	-	(791,227)	-	461,923	-	-	-	-	-	(329,304)
10	Savings/Sharing	-	-	-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-	-	-
17	Deductions from Rate Base :										
18	Contributions in Aid of Construction	-	-	-	-	-	-	-	-	-	-
19	Accumulated Depr. On CIAC	-	-	1,699	-	-	-	-	-	-	1,699
20	Customer Advances for Construction	-	-	-	-	-	-	-	-	-	-
21	Deferred Federal Income Tax	527,901	265,938	-	(155,256)	-	-	-	-	-	638,583
22	Deferred State Income Tax	115,273	31,404	-	(18,334)	-	-	-	-	-	128,343
23	Investment Tax Credit- Pre-1971	-	-	-	-	-	-	-	-	-	-
24		-	-	-	-	-	-	-	-	-	-
25		-	-	-	-	-	-	-	-	-	-
26		-	-	-	-	-	-	-	-	-	-
27	Rate Base	\$ 643,174	\$ (493,885)	\$ (155,730)	\$ 288,333	\$ (325,325)	\$ (51,431)	\$ -	\$ -	\$ -	\$ (94,864)

Illinois- American Water Company
Rate Base
For the Test Year Ended December 31, 2003
Pekin

Line No	Description (A)	Company Pro-Forma (B-2) (B)	Adjustments (Sch 2-P) (C)	Pro Forma (Col B+C) (D)
1	Gross Utility Plant at Original Cost	\$ 20,710,239	\$ -	\$ 20,710,239
2	FAS 109 Regulatory Asset (Net)	71,117	-	71,117
3	Reserve for Accum. Depr. And Amort.	<u>(6,366,825)</u>	<u>36,220</u>	<u>(6,330,605)</u>
4	Net Plant	14,414,531	36,220	14,450,751
5				
6	Additions to Rate Base:			
7	Cash Working Capital	354,572	(21,872)	332,700
8	Materials and Supplies	67,091	(4,150)	62,941
9	Deferred Charges	377,339	(32,213)	345,126
10	Savings/Sharing	-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16				
17	Deductions from Rate Base:			
18	Contributions in Aid of Construction	(1,666,190)	-	(1,666,190)
19	Accumulated Depr. On CIAC	541,864	-	541,864
20	Customer Advances for Construction	(921,020)	-	(921,020)
21	Deferred Federal Income Tax	(962,927)	59,615	(903,312)
22	Deferred State Income Tax	(232,519)	11,931	(220,588)
23	Investment Tax Credit- Pre-1971	(2,833)	-	(2,833)
24		-	-	-
25		-	-	-
26				
27	Rate Base	<u>\$ 11,969,908</u>	<u>\$ 49,531</u>	<u>\$ 12,019,439</u>

Illinois- American Water Company
Adjustments to Rate Base
For the Test Year Ended December 31, 2003
Pekin

Line No	Description (A)	Accumulated Deferred Income Taxes (St. Ex. 13.0 Sch 13.2-P) (B)	Deferred Security Costs (Co. Ex. SR-4.0 Page 15, line 12) (C)	New Depreciation Rates (St. Ex. 14.0 Sch 14.3-P) (D)	Deferred Tank Painting (St. Ex. 14.0 Sch 14.6-P) (E)	Working Capital (St. Ex. 15.0 Sch 15.1-P) (F)	Materials & Supplies (St. ex. 15.0 Sch 15.2-P) (G)	(Source) (H)	(Source) (I)	(Source) (J)	Total Rate Base Adjustment (K)
1	Gross Utility Plant at Original Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	FAS 109 Regulatory Asset (Net)	-	-	-	-	-	-	-	-	-	-
3	Reserve for Accum. Depr. And Amort.	-	-	36,220	-	-	-	-	-	-	36,220
4	Net Plant	-	-	36,220	-	-	-	-	-	-	36,220
5											
6	Additions to Rate Base:										
7	Cash Working Capital	-	-	-	-	(21,872)	-	-	-	-	(21,872)
8	Materials and Supplies	-	-	-	-	-	(4,150)	-	-	-	(4,150)
9	Deferred Charges	-	(37,046)	-	4,833	-	-	-	-	-	(32,213)
10	Savings/Sharing	-	-	-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-	-	-
17	Deductions from Rate Base :										
18	Contributions in Aid of Construction	-	-	-	-	-	-	-	-	-	-
19	Accumulated Depr. On CIAC	-	-	-	-	-	-	-	-	-	-
20	Customer Advances for Construction	-	-	-	-	-	-	-	-	-	-
21	Deferred Federal Income Tax	48,787	12,452	-	(1,624)	-	-	-	-	-	59,615
22	Deferred State Income Tax	10,653	1,470	-	(192)	-	-	-	-	-	11,931
23	Investment Tax Credit- Pre-1971	-	-	-	-	-	-	-	-	-	-
24		-	-	-	-	-	-	-	-	-	-
25		-	-	-	-	-	-	-	-	-	-
26		-	-	-	-	-	-	-	-	-	-
27	Rate Base	\$ 59,440	\$ (23,124)	\$ 36,220	\$ 3,017	\$ (21,872)	\$ (4,150)	\$ -	\$ -	\$ -	\$ 49,531

Illinois- American Water Company
Rate Base
For the Test Year Ended December 31, 2003
Lincoln

Line No	Description (A)	Company Pro-Forma (B-2) (B)	Adjustments (Sch 2-L) (C)	Pro Forma (Col B+C) (D)
1	Gross Utility Plant at Original Cost	\$ 14,608,304	\$ -	\$ 14,608,304
2	FAS 109 Regulatory Asset (Net)	30,457	-	30,457
3	Reserve for Accum. Depr. And Amort.	<u>(7,007,281)</u>	<u>617</u>	<u>(7,006,664)</u>
4	Net Plant	7,631,480	617	7,632,097
5				
6	Additions to Rate Base:			
7	Cash Working Capital	297,873	(19,991)	277,882
8	Materials and Supplies	91,113	(5,659)	85,454
9	Deferred Charges	270,162	(18,180)	251,982
10	Savings/Sharing	-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16		-	-	-
17	Deductions from Rate Base:			
18	Contributions in Aid of Construction	(686,523)	-	(686,523)
19	Accumulated Depr. On CIAC	129,567	-	129,567
20	Customer Advances for Construction	(182,061)	-	(182,061)
21	Deferred Federal Income Tax	(412,375)	27,003	(385,372)
22	Deferred State Income Tax	(99,577)	5,284	(94,293)
23	Investment Tax Credit- Pre-1971	(1,213)	-	(1,213)
24		-	-	-
25		-	-	-
26		<u>-</u>	<u>-</u>	<u>-</u>
27	Rate Base	<u>\$ 7,038,446</u>	<u>\$ (10,926)</u>	<u>\$ 7,027,520</u>

Illinois- American Water Company
Adjustments to Rate Base
For the Test Year Ended December 31, 2003
Lincoln

Line No	Description (A)	Accumulated Deferred Income Taxes (St. Ex. 13.0 Sch 13.2-L) (B)	Deferred Security Costs (Co. Ex. SR-4.0 Page 15, line 12) (C)	New Depreciation Rates (St. Ex. 14.0 Sch 14.3-L) (D)	Deferred Tank Painting (St. Ex. 14.0 Sch 14.6-L) (E)	Working Capital (St. Ex. 15.0 Sch 15.1-L) (F)	Materials & Supplies (St. ex. 15.0 Sch 15.2-L) (G)	(Source) (H)	(Source) (I)	(Source) (J)	Total Rate Base Adjustment (K)
1	Gross Utility Plant at Original Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	FAS 109 Regulatory Asset (Net)	-	-	-	-	-	-	-	-	-	-
3	Reserve for Accum. Depr. And Amort.	-	-	617	-	-	-	-	-	-	617
4	Net Plant	-	-	617	-	-	-	-	-	-	617
5											
6	Additions to Rate Base:										
7	Cash Working Capital	-	-	-	-	(19,991)	-	-	-	-	(19,991)
8	Materials and Supplies	-	-	-	-	-	(5,659)	-	-	-	(5,659)
9	Deferred Charges	-	(21,660)	-	3,480	-	-	-	-	-	(18,180)
10	Savings/Sharing	-	-	-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-	-	-
17	Deductions from Rate Base :										
18	Contributions in Aid of Construction	-	-	-	-	-	-	-	-	-	-
19	Accumulated Depr. On CIAC	-	-	-	-	-	-	-	-	-	-
20	Customer Advances for Construction	-	-	-	-	-	-	-	-	-	-
21	Deferred Federal Income Tax	20,893	7,280	-	(1,170)	-	-	-	-	-	27,003
22	Deferred State Income Tax	4,562	860	-	(138)	-	-	-	-	-	5,284
23	Investment Tax Credit- Pre-1971	-	-	-	-	-	-	-	-	-	-
24		-	-	-	-	-	-	-	-	-	-
25		-	-	-	-	-	-	-	-	-	-
26		-	-	-	-	-	-	-	-	-	-
27	Rate Base	\$ 25,455	\$ (13,520)	\$ 617	\$ 2,172	\$ (19,991)	\$ (5,659)	\$ -	\$ -	\$ -	\$ (10,926)

Illinois- American Water Company
Rate Base
For the Test Year Ended December 31, 2003
Champaign

Line No	Description (A)	Company Pro-Forma (B-2) (B)	Adjustments (Sch 2-C) (C)	Pro Forma (Col B+C) (D)
1	Gross Utility Plant at Original Cost	\$ 89,355,354	\$ -	\$ 89,355,354
2	FAS 109 Regulatory Asset (Net)	246,357	-	246,357
3	Reserve for Accum. Depr. And Amort.	<u>(27,685,349)</u>	<u>(362,919)</u>	<u>(28,048,268)</u>
4	Net Plant	61,916,362	(362,919)	61,553,443
5				
6	Additions to Rate Base:			
7	Cash Working Capital	2,017,270	(82,206)	1,935,064
8	Materials and Supplies	651,727	(40,358)	611,369
9	Deferred Charges	1,863,856	(122,550)	1,741,306
10	Savings/Sharing	-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16				
17	Deductions from Rate Base:			
18	Contributions in Aid of Construction	(11,516,356)	-	(11,516,356)
19	Accumulated Depr. On CIAC	2,855,869	3,492	2,859,361
20	Customer Advances for Construction	(5,476,609)	-	(5,476,609)
21	Deferred Federal Income Tax	(3,335,700)	210,193	(3,125,507)
22	Deferred State Income Tax	(805,477)	41,768	(763,709)
23	Investment Tax Credit- Pre-1971	(19,662)	-	(19,662)
24		-	-	-
25		-	-	-
26				
27	Rate Base	<u>\$ 48,151,280</u>	<u>\$ (352,580)</u>	<u>\$ 47,798,700</u>

Illinois- American Water Company
Adjustments to Rate Base
For the Test Year Ended December 31, 2003
Champaign

Line No	Description (A)	Accumulated Deferred Income Taxes (St. Ex. 13.0 Sch 13.2-C) (B)	Deferred Security Costs (Co. Ex. SR-4.0 Page 15, line 12) (C)	New Depreciation Rates (St. Ex. 14.0 Sch 14.3-C) (D)	Deferred Tank Painting (St. Ex. 14.0 Sch 14.6-C) (E)	Working Capital (St. Ex. 15.0 Sch 15.1-C) (F)	Materials & Supplies (St. ex. 15.0 Sch 15.2-C) (G)	(Source) (H)	(Source) (I)	(Source) (J)	Total Rate Base Adjustment (K)
1	Gross Utility Plant at Original Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	FAS 109 Regulatory Asset (Net)	-	-	-	-	-	-	-	-	-	-
3	Reserve for Accum. Depr. And Amort.	-	-	(362,919)	-	-	-	-	-	-	(362,919)
4	Net Plant	-	-	(362,919)	-	-	-	-	-	-	(362,919)
5											
6	Additions to Rate Base:										
7	Cash Working Capital	-	-	-	-	(82,206)	-	-	-	-	(82,206)
8	Materials and Supplies	-	-	-	-	-	(40,358)	-	-	-	(40,358)
9	Deferred Charges	-	(147,324)	-	24,774	-	-	-	-	-	(122,550)
10	Savings/Sharing	-	-	-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-	-	-
17	Deductions from Rate Base :										
18	Contributions in Aid of Construction	-	-	-	-	-	-	-	-	-	-
19	Accumulated Depr. On CIAC	-	-	3,492	-	-	-	-	-	-	3,492
20	Customer Advances for Construction	-	-	-	-	-	-	-	-	-	-
21	Deferred Federal Income Tax	169,003	49,517	-	(8,327)	-	-	-	-	-	210,193
22	Deferred State Income Tax	36,904	5,847	-	(963)	-	-	-	-	-	41,768
23	Investment Tax Credit- Pre-1971	-	-	-	-	-	-	-	-	-	-
24		-	-	-	-	-	-	-	-	-	-
25		-	-	-	-	-	-	-	-	-	-
26		-	-	-	-	-	-	-	-	-	-
27	Rate Base	\$ 205,907	\$ (91,980)	\$ (359,427)	\$ 15,464	\$ (82,206)	\$ (40,358)	\$ -	\$ -	\$ -	\$ (352,580)

Illinois- American Water Company
Rate Base
For the Test Year Ended December 31, 2003
Sterling

Line No	Description (A)	Company Pro-Forma (B-2) (B)	Adjustments (Sch 2-S) (C)	Pro Forma (Col B+C) (D)
1	Gross Utility Plant at Original Cost	\$ 14,528,852	\$ -	\$ 14,528,852
2	FAS 109 Regulatory Asset (Net)	33,805	-	33,805
3	Reserve for Accum. Depr. And Amort.	<u>(3,122,804)</u>	<u>(52,311)</u>	<u>(3,175,115)</u>
4	Net Plant	11,439,853	(52,311)	11,387,542
5				
6	Additions to Rate Base:			
7	Cash Working Capital	221,195	(8,005)	213,190
8	Materials and Supplies	89,283	(5,528)	83,755
9	Deferred Charges	368,742	(29,935)	338,807
10	Savings/Sharing	-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16		-	-	-
17	Deductions from Rate Base:			
18	Contributions in Aid of Construction	(1,050,559)	-	(1,050,559)
19	Accumulated Depr. On CIAC	250,101	(368)	249,733
20	Customer Advances for Construction	(696,591)	-	(696,591)
21	Deferred Federal Income Tax	(457,715)	33,252	(424,463)
22	Deferred State Income Tax	(110,525)	6,252	(104,273)
23	Investment Tax Credit- Pre-1971	(2,697)	-	(2,697)
24		-	-	-
25		-	-	-
26		<u>-</u>	<u>-</u>	<u>-</u>
27	Rate Base	\$ 10,051,087	\$ (56,643)	\$ 9,994,444

Illinois- American Water Company
Adjustments to Rate Base
For the Test Year Ended December 31, 2003
Sterling

Line No	Description (A)	Accumulated Deferred Income Taxes (St. Ex. 13.0 Sch. 13.2-S) (B)	Deferred Security Costs (Co. Ex. SR-4.0 Page 15, line 12) (C)	New Depreciation Rates (St. Ex. 14.0 Sch. 14.3-S) (D)	Deferred Tank Painting (St. Ex. 14.0 Sch. 14.6-S) (E)	Working Capital (St. Ex. 15.0 Sch. 15.1-S) (F)	Materials & Supplies (St. ex. 15.0 Sch. 15.2-S) (G)	(Source) (H)	(Source) (I)	(Source) (J)	Total Rate Base Adjustment (K)
1	Gross Utility Plant at Original Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	FAS 109 Regulatory Asset (Net)	-	-	-	-	-	-	-	-	-	-
3	Reserve for Accum. Depr. And Amort.	-	-	(52,311)	-	-	-	-	-	-	(52,311)
4	Net Plant	-	-	(52,311)	-	-	-	-	-	-	(52,311)
5											
6	Additions to Rate Base:										
7	Cash Working Capital	-	-	-	-	(8,005)	-	-	-	-	(8,005)
8	Materials and Supplies	-	-	-	-	-	(5,528)	-	-	-	(5,528)
9	Deferred Charges	-	(30,805)	-	870	-	-	-	-	-	(29,935)
10	Savings/Sharing	-	-	-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-	-	-
17	Deductions from Rate Base :										
18	Contributions in Aid of Construction	-	-	-	-	-	-	-	-	-	-
19	Accumulated Depr. On CIAC	-	-	(368)	-	-	-	-	-	-	(368)
20	Customer Advances for Construction	-	-	-	-	-	-	-	-	-	-
21	Deferred Federal Income Tax	23,190	10,354	-	(292)	-	-	-	-	-	33,252
22	Deferred State Income Tax	5,064	1,223	-	(35)	-	-	-	-	-	6,252
23	Investment Tax Credit- Pre-1971	-	-	-	-	-	-	-	-	-	-
24		-	-	-	-	-	-	-	-	-	-
25		-	-	-	-	-	-	-	-	-	-
26		-	-	-	-	-	-	-	-	-	-
27	Rate Base	\$ 28,254	\$ (19,228)	\$ (52,879)	\$ 543	\$ (8,005)	\$ (5,528)	\$ -	\$ -	\$ -	\$ (56,643)

Illinois- American Water Company
Rate Base
For the Test Year Ended December 31, 2003
Chicago Metro - Water

Line No	Description (A)	Company Pro-Forma (B-2) (B)	Adjustments (Sch 2-CMW) (C)	Pro Forma (Col B+C) (D)
1	Gross Utility Plant at Original Cost	\$ 146,823,096	\$ -	\$ 146,823,096
2	FAS 109 Regulatory Asset (Net)	250,981	-	250,981
3	Utility Plant Acquisition Adj - Dupage	141,028	-	141,028
4	Reserve for Accum. Depr. And Amort.	<u>(34,712,156)</u>	<u>(91,786)</u>	<u>(34,803,942)</u>
5	Net Plant	112,502,949	(91,786)	112,411,163
6				
7	Additions to Rate Base:			
8	Cash Working Capital	3,298,927	(2,029,387)	1,269,540
9	Materials and Supplies	331,313	(20,476)	310,837
10	Deferred Charges	1,665,050	106,908	1,771,958
11	Savings/Sharing	156,250	-	156,250
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16		-	-	-
17				
18	Deductions from Rate Base:			
19	Contributions in Aid of Construction	(28,450,704)	-	(28,450,704)
20	Accumulated Depr. On CIAC	7,886,367	68,281	7,954,648
21	Customer Advances for Construction	(12,119,864)	-	(12,119,864)
22	Bolingbrook Acquisition Rate Base Adj.	(5,705,412)	-	(5,705,412)
23	Deferred Federal Income Tax	(3,398,311)	136,242	(3,262,069)
24	Deferred State Income Tax	(820,596)	33,353	(787,243)
25	Investment Tax Credit- Pre-1971	(9,999)	-	(9,999)
26		-	-	-
27		-	-	-
28				
29	Rate Base	<u>\$ 75,335,970</u>	<u>\$ (1,796,865)</u>	<u>\$ 73,539,105</u>

Illinois- American Water Company
Adjustments to Rate Base
For the Test Year Ended December 31, 2003
Chicago Metro - Water

Line No	Description (A)	Accumulated Deferred Income Taxes (St. Ex. 13.0 Sch 13.2-CMW) (B)	Deferred Security Costs (Co. Ex. SR-4.0 Page 15, line 12) (C)	New Depreciation Rates (St. Ex. 14.0 Sch 14.3-CMW) (D)	Deferred Tank Painting (St. Ex. 14.0 Sch 14.6-CMW) (E)	Working Capital (St. Ex. 15.0 Sch 15.1-CMW) (F)	Materials & Supplies (St. ex. 15.0 Sch 15.2-CMW) (G)	(Source) (H)	(Source) (I)	(Source) (J)	Total Rate Base Adjustment (K)
1	Gross Utility Plant at Original Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	FAS 109 Regulatory Asset (Net)	-	-	-	-	-	-	-	-	-	-
3	Utility Plant Acquisition Adj - Dupage	-	-	-	-	-	-	-	-	-	-
4	Reserve for Accum. Depr. And Amort.	-	-	(91,786)	-	-	-	-	-	-	(91,786)
5	Net Plant	-	-	(91,786)	-	-	-	-	-	-	(91,786)
6											
7	Additions to Rate Base:										
8	Cash Working Capital	-	-	-	-	(2,029,387)	-	-	-	-	(2,029,387)
9	Materials and Supplies	-	-	-	-	-	(20,476)	-	-	-	(20,476)
10	Deferred Charges	-	(226,860)	-	333,568	-	-	-	-	-	106,908
11	Savings/Sharing	-	-	-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-	-	-
17		-	-	-	-	-	-	-	-	-	-
18	Deductions from Rate Base :										
19	Contributions in Aid of Construction	-	-	-	-	-	-	-	-	-	-
20	Accumulated Depr. On CIAC	-	-	68,281	-	-	-	-	-	-	68,281
21	Customer Advances for Construction	-	-	-	-	-	-	-	-	-	-
22	Bolingbrook Acquisition Rate Base Adj.	-	-	-	-	-	-	-	-	-	-
23	Deferred Federal Income Tax	172,175	76,182	-	(112,115)	-	-	-	-	-	136,242
24	Deferred State Income Tax	37,596	8,996	-	(13,239)	-	-	-	-	-	33,353
25	Investment Tax Credit- Pre-1971	-	-	-	-	-	-	-	-	-	-
26		-	-	-	-	-	-	-	-	-	-
27		-	-	-	-	-	-	-	-	-	-
28		-	-	-	-	-	-	-	-	-	-
29	Rate Base	\$ 209,771	\$ (141,482)	\$ (23,505)	\$ 208,214	\$ (2,029,387)	\$ (20,476)	\$ -	\$ -	\$ -	\$ (1,796,865)

Illinois- American Water Company
Rate Base
For the Test Year Ended December 31, 2003
Chicago Metro - Sewer

Line No	Description (A)	Company Pro-Forma (B-2) (B)	Adjustments (Sch 2-CMS) (C)	Pro Forma (Col B+C) (D)
1	Gross Utility Plant at Original Cost	\$ 94,769,422	\$ -	\$ 94,769,422
2	FAS 109 Regulatory Asset (Net)	192,301	-	192,301
3	Utility Plant Acquisition Adj - Dupage	108,006	-	108,006
4	Reserve for Accum. Depr. And Amort.	<u>(15,066,043)</u>	<u>-</u>	<u>(15,066,043)</u>
5	Net Plant	80,003,686	-	80,003,686
6				
7	Additions to Rate Base:			
8	Cash Working Capital	669,706	(128,720)	540,986
9	Materials and Supplies	181,415	(11,221)	170,194
10	Deferred Charges	-	-	-
11	Savings/Sharing	119,664	-	119,664
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16		-	-	-
17		-	-	-
18	Deductions from Rate Base:			
19	Contributions in Aid of Construction	(51,391,233)	-	(51,391,233)
20	Accumulated Depr. On CIAC	12,755,648	-	12,755,648
21	Customer Advances for Construction	-	-	-
22	Deferred Federal Income Tax	(2,603,789)	131,921	(2,471,868)
23	Deferred State Income Tax	(628,741)	28,806	(599,935)
24	Investment Tax Credit- Pre-1971	(7,661)	-	(7,661)
25		-	-	-
26		-	-	-
27		<u>-</u>	<u>-</u>	<u>-</u>
28	Rate Base	<u>\$ 39,098,695</u>	<u>\$ 20,786</u>	<u>\$ 39,119,481</u>

Illinois- American Water Company
Adjustments to Rate Base
For the Test Year Ended December 31, 2003
Chicago Metro - Sewer

Line No	Description (A)	Accumulated Deferred Income Taxes (St. Ex. 13.0) <u>Sch 13.2-CMS</u> (B)	Working Capital (St. Ex. 15.0) <u>Sch 15.1-CMS</u> (C)	Materials & Supplies (St. ex. 15.0) <u>Sch 15.2-CMS</u> (D)	(Source) (E)	(Source) (F)	(Source) (G)	Total Rate Base Adjustment (H)
1	Gross Utility Plant at Original Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	FAS 109 Regulatory Asset (Net)	-	-	-	-	-	-	-
3	Utility Plant Acquisition Adj - Dupage	-	-	-	-	-	-	-
4	Reserve for Accum. Depr. And Amort.	-	-	-	-	-	-	-
5	Net Plant	-	-	-	-	-	-	-
6								
7	Additions to Rate Base:							
8	Cash Working Capital	-	(128,720)	-	-	-	-	(128,720)
9	Materials and Supplies	-	-	(11,221)	-	-	-	(11,221)
10	Deferred Charges	-	-	-	-	-	-	-
11	Savings/Sharing	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-
13		-	-	-	-	-	-	-
14		-	-	-	-	-	-	-
15		-	-	-	-	-	-	-
16		-	-	-	-	-	-	-
17		-	-	-	-	-	-	-
18	Deductions from Rate Base :							
19	Contributions in Aid of Construction	-	-	-	-	-	-	-
20	Accumulated Depr. On CIAC	-	-	-	-	-	-	-
21	Customer Advances for Construction	-	-	-	-	-	-	-
22	Deferred Federal Income Tax	131,921	-	-	-	-	-	131,921
23	Deferred State Income Tax	28,806	-	-	-	-	-	28,806
24	Investment Tax Credit- Pre-1971	-	-	-	-	-	-	-
25		-	-	-	-	-	-	-
26		-	-	-	-	-	-	-
27		-	-	-	-	-	-	-
28	Rate Base	\$ 160,727	\$ (128,720)	\$ (11,221)	\$ -	\$ -	\$ -	\$ 20,786